

MINUTES

MUNICIPAL FINANCIAL RECOVERY ADVISORY COMMITTEE FOR THE CITY OF CHESTER January 11, 2022 1:00 p.m.

**Chester City Hall
Council Chambers
1 Fourth Street, 2nd Floor
Chester, PA 19013
And VIA ZOOM**

Present: Michael T. Doweary, Receiver
Kelly Diaz, County of Delaware, Office of the Controller, Sr. Accountant
Vijay Kapoor, Chief of Staff to the Receiver
Kim Bracey, DCED, Executive Director for the Governor's Center for Local Government Services
Mayor Thaddeus Kirkland
Councilman William Morgan
Cody Deal, Executive Assistant

Absent:

The Municipal Financial Recovery Advisory Committee meeting began at 1:00 p.m. The meeting was streamed on the Chester City's Facebook page at <https://www.facebook.com/cityofchester/>.

Minutes of December 14th & 28th MFRAC Meetings

The Receiver asked if there were any changes or addendums to the December 14th Municipal Financial Recovery Advisory Committee meeting minutes.

Hearing none, the Receiver asked for a motion to accept the minutes of December 14th.

It was moved by Director Bracey and seconded by Ms. Diaz that:

"The minutes of the December 14th Municipal Financial Recovery Advisory Committee Meetings be accepted as written."

MOTION CARRIED UNANIMOUSLY

The Receiver asked Mr. Kapoor if the minutes from December 28th could be moved upon as there was not a quorum. Mr. Kapoor noted that he believed the minutes could be approved.

The Receiver asked if there were any changes or addendums to the December 28th Municipal Financial Recovery Advisory Committee meeting minutes.

It was moved by Ms. Diaz and seconded by Director Bracey that:

“The minutes of the December 28th Municipal Financial Recovery Advisory Committee Meetings be accepted as written.”

Mayor Kirkland wanted to note for the record that the December 28th meeting minutes and agenda were not provided one week in advance as they typically are, with the distribution of these items only coming shortly before the meeting commenced. Due to this, and a question of whether or not the meeting of the 28th needed to be held via email, Mayor Kirkland and Councilman Jacob’s were not present.

The Receiver thanked the Mayor for his comments and opened the floor for any other questions. The motion was again put on the floor for a vote, with 3 yes’s and 1 no, with 1-member obtaining as he was not part of the committee at the time of the meeting. Due to majority, the minutes are entered into the record as written.

The Receiver noted that Mr. Deal was on vacation which caused the minutes to be late and apologized for the error, also noting that the December 28th meeting was confirmed at the December 14th meeting.

Public Comments

The receiver passed the floor to Mr. Deal for summary of public comment. Mr. Deal noted the 2 unique public comments received, 1 regarding parking and one regarding the ongoing CWA litigation. He noted the comments were received through the info@chesterreceivership.com email address and opened the floor for any comments, which there were none.

Recovery Plan Update

The Receiver passed the floor to Mr. Kapoor for an update on the Receiver’s recovery plan.

Mr. Kapoor began his update by sharing that the City had passed a balanced budget for 2022 in December. He noted that due to the ARPA funds, there was an investment of about 2.3 Million dollars into capital projects which is about 5 times what has been in previous budgets. Additionally, there will be 10 additional positions allowed for in the new budget as well, mainly clerical, with more information upcoming.

He noted there was one item of contention between the Receiver and the City, but the rest of the budget was passed.

He also mentioned that the Judge to whom the Receiver has been reporting has rolled off the Commonwealth Court Bench, with a new judge yet to be announced. Prior to Judge Crompton leaving, an extension to Receivership was granted through December 28th, 2023. He opened the floor for any questions.

Director Bracey asked if there was any indication of who the new judge would be, to which Mr. Kapoor confirmed that they do not yet know.

There were no further questions.

Receiver Update

The Receiver began his update by thanking Councilman Jacobs for his service on this committee and to his service to the City of Chester. He also welcomed Councilman Morgan to the committee, opening the floor to the Councilman for a statement.

Councilman Morgan thanked both the Mayor and Council for allowing him to join the committee, stating he is looking to add some value and information to the city through this process.

The Receiver continued his update with a reminder to keep following the best practices as the City continues to navigate the pandemic and boost the vaccination rate. He then went on to echo Mr. Kapoor's mentioning of the new vacant positions that will be open on the City's website, encouraging the city to frequent the city's website for more info as they become available.

The Receiver also reminded the public of the info@chesterreceivership.com email address, and the receivership website www.chesterreceivership.com for public involvement in these committee meetings.

He then passed the floor to Councilman Morgan for comment on the 2019 Audit process. Councilman Morgan noted that there is a task tracker in place and up to date with what each department individual needs to provide to reconcile for the upcoming audit with everything moving in the right direction. He stated he will keep the committee up to date as it continues to move forward. He did also mention that at the end of 2021 a new financial software was introduced in the City, which is a better fit for the city to prevent falling behind on the auditing process. He ended by saying he will be able to provide a more detailed update on the audit at the next committee meeting.

The Receiver thanked Councilman Morgan for his comments, then moving on to an update on the recalculation of pension benefits for police retirees, noting that this project is still underway.

Lastly, the Receiver gave a shoutout to the Chester Panthers little league football team who competed nationally at the Walt Disney World Resort in Florida, congratulating Charles Thompson and the rest of the coaching staff.

There were no further questions from the Committee.

Presentation RE: Covanta Host Agreement Renewal, a Follow up on the Parking Presentation of December 28th, and the Elected Official Salary Issues

The Receiver gave the floor to Mr. Kapoor for multiple presentations. First being the Covanta Host Agreement and the potential renewal/renegotiation that will be taking place and how it could impact the City's finances.

Second, Mr. Kapoor reviewed some items from the Parking Presentation given at the previous meeting, providing some updated info regarding the ongoing litigation on this matter as well. The Receiver will be reviewing comments from both this committee and the public before deciding on how to proceed regarding the current parking management contract.

Lastly, Mr. Kapoor discussed the elected official salary issue and the actions that will be taken to correct it, being the only item on the 2022 Budget that was not supported by the Receiver's

office. A Mandamus action will be filed with the Commonwealth Court to rescind the salary increase given to the Mayor and councilmembers once a new judge is overseeing.

All of the presentations, as well as the follow up questions/discussion from the committee, can be viewed directly on the receivership website www.chesterreceivership.com and on YouTube.

Member Comments

The Receiver thanked the committee for their input on all of the matters presented at the meeting. No further comments or questions were raised by the committee.

There being no further business to discuss, the Receiver adjourned the meeting at 2:51 p.m.

The next Municipal Financial Recovery Advisory Committee meeting is scheduled for Tuesday, January 25th at 1:00 p.m. at Chester City Hall, City Council Chambers, 1 Fourth Street, 2nd Floor, Chester, PA 19013, and streamed VIA Microsoft Teams and through the Receiver's Facebook page.

Approved this 25th Day of January 2022.

Michael T. Doweary
Receiver for the City of Chester

Secretary – Cody Deal